

COMMUNITY INVESTMENT ASSOCIATES

P.O. Box 235

978/356-2164

Ipswich, MA 01938

978/356-9881

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MEMORANDUM

TO: Interested Parties
FROM: Carolyn Britt, Consulting Planner
RE: Information Prepared on 129 Parker Street
DATE: February 19, 2006

I have reviewed the material provided to the Town by consultants for 129 Parker St. and offer the following initial comments. These can be a starting point for a discussion in-house and with the consultants to get the best information for making decisions on rezoning and on the site.

Issues Raised by Real Estate Market Analysis for the Potential Redevelopment of 129 Parker Street, Maynard, Massachusetts. February 6, 2006. RKG Associates

1. The focus on this analysis is the buying power of Maynard residents, and how many of their dollars are spent outside Maynard. RKG estimates that retail sales within a 5-10 minute drive time from Maynard Center equates to \$147.7 million in 2005, vs. only 31% of these dollars being spent in Maynard during that time period.
2. The author then proceeds to present the projected square footage of retail facilities that could take advantage of these sales estimates. The sources of RKG and Urban Land Institute are provided, but the dots are not really connected. Except for listing the total square footage for other retail shopping in the five town area, the proximity and estimated volume of sales of the two shopping centers that are already within that 5 minute drive time are not provided. This seems that to be critical market information for assessing the realistic opportunity for new competing shopping center retail stores.
3. No physical information is provided on the nearby, competing shopping centers either. Such critical information would include the make-up of stores and their sizes, vacancies, and turn-overs in tenancy. Are these centers profitable or barely making it? What rents do they charge by size or type of unit? Interviews with these property owners would be very useful if this were possible.
4. Other key information to explore is, given the current store mix at the two shopping centers within the 5 minute drive time, what competing anchor food stores would realistically be interested in a Maynard location? What co-tenancies might be required by such stores, such as a drug store or other similar convenience stores? The only information of this nature that we have been provided is roughly the footprint they might be seeking.

5. It should be noted also that Maynard Center is a mix of convenience shopping (banks, drug store, video store, liquor store, florist, post office, etc.) and niche shopping, including the Outdoor Store, Dunia's, Teresina's, and others. Some niche stores are unlikely to be attracted to a shopping center, but any of the convenience shopping is likely to be. Town allegiance may keep some convenience shoppers in Maynard (vs. shopping centers in Stow and Acton), but will that be the case if shopping alternatives locate within Maynard?
6. In the interviews with local retailers, their responses suggest when respondents were addressing the question of types of stores that could cut into their sales, they were thinking only of direct competitors who would take sales away. They were not considering that the "leakage" of people doing banking and drug store business at the new location, would also represent lost opportunities of incidental shoppers at their location. The number of respondents listed in Table 17 may be an illusory number. For example, a Home Improvement store at a new mall may close only 2 stores (ie the 4 negative responses vs. 15 neutral or positive) but those 2 closures would have a big impact on the fabric of Maynard Center.
7. It would be helpful to have the answer profile from some of the other questions in the survey. Questions that would be particularly useful include questions 7. (who do you believe are your major competitors?), and question 11 (if you were to start-over, would you still choose the same location?). A new question that should also have been asked is whether the respondent would be interested in moving to a new shopping center if it were constructed? Question 13 could have also included, which businesses might have an overall negative impact on the downtown?"

In sum, there is significant necessary information that has not been provided in order for the Town to determine whether a retail use at 129 Parker St. is appropriate in the retail mix in the Town and region, and to determine which retail uses should be excluded from potential rezoning for 129 Parker St.

Questions Raised by Draft Memorandum, Maynard Retail Development Impacts. July 20, 2004. Dick Paik and Michael Siciliano. Bonz and Company, Inc.

1. If I understand this correctly, this analysis indicates (See Table 1) that stores within a 3 mile radius of Maynard already capture 113.9% of the spending of the area population, so they are attracting shoppers from outside the area. Does this number indicate that the area may already be saturated with grocery stores?
2. Table 2 indicates that a 283.9% market capture rate exists within a 3 mile radius of Maynard. This striking figure is not interpreted, but would be useful if it were. Does this include the hardware store in Stow as well as Maynard, It still seems striking.

3. On page 7, the authors discuss the likely tenants to go into a shopping center such as is being proposed at 129 Parker St., and notes they are likely to be national chains in order to afford the rents. A review of the Acton and Stow centers is not consistent with this analysis. A full accounting of the current stores at each shopping center would likely indicate that they do attract some smaller, locally-owned stores that could also consider a downtown location. Such uses are hairdressers, a pet shop, a camera shop, a medical office, and others.

**Questions Raised by Fiscal Impact Analysis, 129 Parker Street, Maynard, Massachusetts.
February 13, 2006. Connery Associates**

1. Few footnotes or references are included in this report, so it is not possible to consider the relevance of many of the assumptions to the Maynard situation. Information that has not been referenced include rental rates on units by size (are these estimated by a local realtor, property owner, Assessors?), assumptions about vacancy rates and cost/square foot (national data or actual data representing local shopping centers?), assumptions about people/household, and others.
2. This analysis generally relies on national data (The Fiscal Impact Handbook by Burchell and Listokin, published in 1983). Other work was recently undertaken by the state through DHCD and EOEA (Fiscal Impact Tool, EOEA) to develop growth impact models to estimate fiscal impact. These models developed by the state were intended to improve on the information in this handbook using national data to more accurately estimate fiscal impact in Massachusetts cities and towns using more local and updated data. Both the models developed by DHCD and EOEA have since been removed from the state website with the explanation I received that they were felt to be inadequate to estimate the actual condition in communities. There was a distinct concern that use of inaccurate models would encourage towns to further oppose additional growth in housing. Suggestions were made that specific community data be analyzed on a case-by-case basis. The work prepared by Mr. Connery in the referenced study on housing was more detailed and used local data to correct for some of the shortcomings of the other studies. Local data has not apparently been used for this study in Maynard. I prepared a similar effort on the impact of single family subdivisions for West Newbury and worked with the school department there to identify capital needs based on growth rates of school-aged children, and with the finance director to identify current capital planning and its sensitivity to growth in population and housing units. This level of effort might be appropriate for this project.
3. Specific information on projected costs for capital improvements, expansions, teacher costs, and per pupil costs based on an increased school enrollment should have been included. I have requested some of this information from the schools and they will be

providing it over the next several days. Preliminary information provided by Maynard schools indicate declining enrollment.

4. The data provided to estimate school-aged children is likely taken from other multi-family units in Massachusetts. Research with the school system in Maynard and existing condominium developments would likely provide the most accurate information on school-aged children that are currently living in multifamily housing in Maynard and most likely to be living in proposed new residential development on the site.
5. The tables and calculations would be easier to understand if they were placed in a spreadsheet, with columns containing the specific calculations that are now included largely in narrative.